

Master Class **by Charles B. Wendel**

It is hard to avoid ads for the Master Class website. Master Class offers top name experts in various fields, offering courses on topics ranging from poetry to mixology to ukulele playing. Each of the individual sessions is short, no more than 15-20 minutes, playing to our reduced attention spans. Watching one of these sessions caused me to reflect on the need for banking Master Classes and how most banks suffer from a basic training and information gap.

Here's a statement some may disagree with: a good consultant, ones who roll up their sleeves, should know your bank better than you do. How so? When I was a banker I focused on doing my job whether that was managing client relationships or helping to work out bad loans (to be clear loans I did not originate). Success in those targeted roles determined how I was judged and paid.

After I became a consultant my job involved providing specific recommendations to solve a client problem or help develop a growth opportunity. Assessing those problems and opportunities required me to speak with a cross-section of the stakeholders involved in that area. To provide insights concerning how to build a bank's small business presence, for example, I needed to explore beyond small business staff to understand the perspectives and concerns of areas such as the branch, credit, the middle market, cash management, IT, etc. And rather than engaging in the ritualistic Kabuki dance than often occurs when senior bankers talk with each other, consultants had better be able to push beyond surface pleasantries if they are to be of any value.

They also need to find and exploit the best people in the bank. By "find and exploit" we meet determining who is good at their job and learning the processes they use. What attributes or characteristics of those bankers can be adapted by others within the bank to improve the bank's overall performance? Highlighting and disseminating best practices seems basic, huh?

Consultants must also be able to venture beyond their clients to access industry best practices. Bankers need to do the same. I often try to find others in the industry who have successfully dealt with a situation my client faces. "Oh," you might say, "he is not stealing my watch to tell me the time, he is stealing someone else's watch." Not true. If you want to learn about cooking, Gordon Ramsey seems to be a good source to consider. Your screenwriting skills could probably benefit from knowing how Allen Sorkin operates. Yet, many banks fail to keep their antennae up to learn how others are operating businesses or functions of importance to them. Could you benefit from understanding industry best practices in meeting regulatory requests? Of course.

Even worse is how many banks fail to learn from their internal best-in-class performers. Some bankers want to keep their approach to themselves as a job preservation measure. More experienced bankers may operate with an effectiveness that has become an instinct, and they may not be able to decipher the elements of their success without some help. In many cases no one has asked them, no one has tried to systematize their approach to allow their excellence to lift up others.

Master classes and highlighting internal best performers does not magically translate into higher revenues. Watching Gary Kasparov play chess will not make me a better chess player unless I begin to play a lot of chess with his principles in mind. That's the benefit of best practices and master classes. They provide tools and insights that a smart banker managed by a smart banker can use to move to a higher level of performance. Basic, huh?

FIC works with clients on these and related issues. Continued uncertainty requires organizational flexibility as financial institutions focus on their future performance and growth while managing current portfolios and changing customer expectations.